IN THE CLAIMS

The following is a complete listing of the claims, and replaces all earlier versions and listings.

- 1. (Currently Amended) An image processing apparatus comprising:
 - a) inputting means for inputting image data of plural objects;
- b) encoding means for encoding, with an encoding conditions

 parameter, the image data inputted by said inputting means, on an object basis; and
- c) control setting means for setting a priority order of code amount allocation for each of the objects; and in accordance with the priority order, controlling the encoding conditions of the object having a predetermined priority order, when a total code amount obtained by encoding the image data of the plural objects exceeds a predetermined code amount
- d) control means for controlling the encoding parameter so as to

 control a code amount obtained by encoding the image data of the plural objects,

 wherein said control means gives priority to the object having a

 predetermined priority order over other objects in controlling the encoding parameter.
- 2. (Previously Presented) An apparatus according to claim 1, wherein said control means changes the priority order at a predetermined timing.

- 3. (Previously Presented) An apparatus according to claim 2, wherein the predetermined timing is determined according to how many times a code amount reduction processing for the objects is executed or according to code amounts of the objects.
- 4. (Currently Amended) An apparatus according to claim 1, wherein, when the code amount of an object set to a lowest priority becomes smaller than a predetermined lower limit value, said control setting means sets an other object to the lowest priority.
- 5. (Currently Amended) An apparatus according to claim 1, wherein said encoding means breaks down the image data of the objects at least into pixel data and shape data and encodes the pixel data and the shape data, and said control setting means determines the priority order in accordance with a size of shape data of the objects.
- 6. (Currently Amended) An apparatus according to claim 1, wherein said encoding means executes the encoding operation in accordance with MPEG-4, and said control setting means determines the priority order in accordance with sizes of bounding boxes of the objects.
- 7. (Currently Amended) An apparatus according to claim 1, wherein said encoding means includes quantization means for quantizing the image data of the objects, and quantization parameters the encoding parameter indicates a quantizing parameter of said quantization means are controlled by the encoding conditions.

- 8. (Original) An apparatus according to claim 1, further comprising recording means for recording the data encoded by said encoding means into a recording medium.
- (Previously Presented) An image processing apparatus according to claim 1, wherein said inputting means comprises image pickup means for photographing an object image and generating image data.
- 10. (Original) A video camera provided with the image processing apparatus according to claim 1.
- 11. (Currently Amended) An image processing method comprising the steps of:
 - a) inputting image data of plural objects;
- b) encoding, with <u>an</u> encoding conditions <u>parameter</u>, the image data inputted in said inputting step, on an object basis; and
- c) setting a priority order of code amount allocation for each of the objects; and, in accordance with said priority order, controlling the encoding conditions of the object having a predetermined priority order, when a total code amount obtained by encoding the image data of the plural objects exceeds a predetermined code amount
- d) controlling the encoding parameter so as to control a code amount obtained by encoding the image data of the plural objects,

wherein said control step includes giving priority to the object having a predetermined priority order over other objects in controlling the encoding parameter.

- 12. (Currently Amended) A storage medium for storing program codes of encoding steps, said encoding steps comprising:
 - a) an inputting step, of inputting image data of plural objects;
- b) an encoding step, of encoding, with <u>an</u> encoding conditions parameter, the inputted image data on an object basis; and.
- c) a controlling setting step, of setting a priority order of code amount allocation for each of the objects; and, in accordance with the priority order, controlling the encoding conditions of the object having a predetermined priority order, when a total code amount obtained by encoding the image data of the plural objects exceeds a predetermined code amount
- d) a controlling step, of controlling the encoding parameter so as to control a code amount obtained by encoding the image data of the plural objects,

 wherein said control step includes giving priority to the object having a predetermined priority order over other objects in controlling the encoding parameter.
 - 13. (New) An image processor comprising:
- a) an inputting unit, arranged to input image data of plural objects;

- b) an encoder, arranged to encode, with an encoding parameter, the image data inputted by said inputting unit, on an object basis;
- c) a setting unit, arranged to set a priority order of code amount allocation for each of the objects; and
- d) a control unit, arranged to control the encoding parameter so as to control a code amount obtained by encoding the image data of the plural objects, wherein said controller gives priority to the object having a

predetermined priority order over other objects in controlling the encoding parameter.